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Title: Regarding participating of Tamil Nadu in UDAY Scheme.

SHRI M. UDHAYAKUMAR (DINDIGUL): The Union Government introduced a new scheme-Ujwal DISCOM Assurance Yojna or UDAY. UDAY is a path-breaking reform for realizing the Hon'ble Prime Minister's vision of affordable and accessible 24x7 Power for all. Chief Minister of Tamil Nadu wrote a letter to the Prime Minister on 23.10.2015 stating that Tamil Nadu will join the UDAY scheme and demanded special concessions as a pre-condition for joining the scheme viz:-

- a) Additional borrowing towards principal repayment and interest servicing;
- b) May be authorized to float 15 year bonds with 5 year moratorium;
- c) The central should provide 25% of the taken over debt;
- d) Commercial Banks should provide 50% cash loss financing for the next 5 years; and
- e) The scheme offer may be kept valid for a period of one year.

As per as the state government of Tamil Nadu, the UDAY scheme would be difficult to implement without these essential modifications. It was made clear to consider the state's request so that Tamil Nadu finances are not adversely affected while taking over TANGEDCO's debt. At this juncture I urge upon the Union Government to accept the modifications in the UDAY scheme suggested by the state and the Government of India should consider the request of Tamil Nadu government positively.